COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION



MAR 1 7 2005

PUBLIC SERVICE

In the Matter of:

Mar 17 05 12:38p

JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, AND A SITE COMPATIBILITY CERTIFICATE, FOR THE EXPANSION OF THE TRIMBLE COUNTY GENERATING STATION

CASE NO.: 2004-00507

MOTION TO RELEASE DOCUMENTS UNDER SEAL

Come the Intervenors, International Brotherhood of Electrical Workers, Local 2100 (IBEW) and the Greater Louisville Building and Construction Trades Council (Trades Council), and move the Commission for an Order releasing documents that have been held under seal in a prior LG&E filing.

In Case No. 2000-112, Application of Kentucky Utilities Company and LG&E for Certificate of Public Convenience and Necessity to Construct Selective Catalytic Reduction (SCR) Control Technologies, the Commission made the following data request:

- Have KU and LG&E issued an RFP for the construction of the seven proposed Q-7. SCR units?
- If yes, provide the RFP and a list of vendors to whom it was sent.
- Provide the responses to the RFP. (1)
- Explain how the successful bidder or bidders, were chosen. (2)

On April 28, 2000, LG&E requested, by letter and petition, confidential treatment of the responses to Q-7, providing the following rationale:

> Because of concerns regarding the confidentiality of the proposals submitted by vendors in response to the Companies' SCR RFP, the Companies have been engaged in detailed discussions with the vendors regarding the filing of their submissions to the Companies in response to the Commission's question number seven. These responses were submitted to the Companies pursuant to Non-Disclosure agreements, which provide the vendors with certain rights regarding public disclosure of their submittals. Despite our best efforts we have been unable to satisfactorily conclude these discussions by today, and are therefore unable to publicly file at this

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time the responses we received from the vendors. Therefore, the Companies are filing under seal the responses to the RFP requested in the Commission's question number seven, as well as the enclosed Petition of Kentucky Utilities Company and Louisville Gas and Electric Company for Confidential Protection regarding these responses.

On May 5, 2000, the Commission, through Executive Director Huelsmann, issued a letter confirming confidential treatment of the responses to Q-7. The Commission's grant of confidentiality was premised upon 807 KAR 5:001 (Section 7(9)(a)):

If the information becomes publicly available or no longer warrants confidential treatment, you are required by 807 KAR 5:001, Section 7(9)(a) to inform the Commission so that the information may be placed in the public record.

The basis for LG&E's request for confidentiality was the ongoing nature of negotiations with vendors, which operated under non-disclosure agreements to prevent unfair competition. The vendor was selected, contracts let and the project completed. There is no continuing need for confidential protection of documents.

The IBEW and Trades Council, representing the concerns of Kentucky ratepayeremployees, has a substantial interest in reviewing RFP criteria regarding major construction proposals, to gain insight into criteria utilized by LG&E with regard to employment of Kentucky workers.

The intervenors request the Commission issue an order releasing the information under seal which was responsive to the Commission's Q-7. Although it does not appear that the records should enjoy any continuing protection under the Kentucky Open Records Act (KRS 61.870), or otherwise be subject to confidential protection, the IBEW and Trades Council have communicated, on this date, a willingness to consider a protective agreement in order to protect any continuing interest that the Company may have in confidential or proprietary information. This communication was made pursuant to 807 KAR 5:001, Section 7(5)(b).

PIM&M

Respectfully submitted,

PRIDDY, ISENBERG, MILLER & MEADE, PLLC

Don Meade

800 Republic Bldg. 429 W. Muhammad Ali Blvd. Louisville, KY 40202

(502) 587-8600

Counsel for IBEW, Local 2100 and Greater Louisville Building and Construction

Trades Council

CERTIFICATE OF SERVICE

It is hereby certified that on the 17 day of March, 2005, an original and 10 copies of the foregoing motion was mailed to the Public Service Commission, P. O. Box 615, 211 Sower Blvd., Frankfort, KY 40602-0615, and a true copy thereof was mailed to the attached service list.

SERVICE LIST

Elizabeth E. Blackford Office of Rate Intervention 1024 Capital Center Drive, Ste. 200 Frankfort, KY 40601

Michael L. Kurtz 36 E. Seventh Street, Ste. 1510 Cincinnati, OH 45202

Troy A. Fodor 913 S. Sixth Street Springfield, IL 62703

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March 17, 2005

Kendrick Riggs 1700 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202

Re: Motion to Lift Confidential Protection

Dear Kendrick:

Enclosed is a motion by IBEW and Trades Council, to lift confidential protection from documents filed under seal in Case 2000-112 Application of Kentucky Utilities Company and LG&E for Certificate of Public Convenience and Necessity to Construct Selective Catalytic Reduction (SCR) Control Technologies.

Pursuant to 807 KAR 5:001, Section 7(5)(b), the intervenors are willing to discuss the terms of a protective order which would prevent dissemination of information to vendors during competitive bidding for the TC2 project. Please let us know the Company's position with regard to any proposed protective provisions.

Respectfully

Don Meade

DM/sks Enclosure

CC-

Public Service Commission

COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY AND KENTUCKY)	
UTILITIES COMPANY FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY,)	CASE NO.: 2004-00507
AND A SITE COMPATIBILITY CERTIFICATE,)	
FOR THE EXPANSION OF THE TRIMBLE)	
COUNTY GENERATING STATION)	

FIRST DATA REQUEST OF INTERVENORS IBEW, LOCAL 2100 AND GREATER LOUISVILLE BUILDING AND CONSTRUCTION TRADES COUNCIL

Come the Intervenors, International Brotherhood of Electrical Workers, Local 2100 (IBEW) and the Greater Louisville Building and Construction Trades Council (Trades Council), and propound the following requests for information to LG&E:

- 1. Produce a copy of the RFP that LG&E is utilizing in the solicitation of bids from prequalified EPC's, as referred to by the Voyles testimony, p. 10.
- 2. Produce all other documents supplied to, or otherwise made available by LG&E, to EPC bidders related to labor market conditions, wage rates, benefit rates, craft availability, employment trends or any other information for the assessment and projection of labor costs for TC2.
- 3. With reference to the Burns & McDonald report, Trimble County Unit 2 Project Approach, Volume 1 Execution Plan, explain why the labor market analysis performed under Section 4.5 did not include review of labor and craft employee availability from the Paducah, Owensboro and Lexington, Kentucky areas?
- 4. With reference to the Burns & McDonald report, Trimble County Unit 2 Project Approach, Volume 1 Execution Plan, how many of the non-union electricians, identified in Table 4-3, are construction electricians, and how many are residential?

- 5. With reference to the Burns & McDonald report, Trimble County Unit 2 Project Approach, Volume 1 Execution Plan, the report concludes that "both union and non-union craft are very busy" (4-21) and "labor halls do not have many craft on the bench." (4-22) With regard to these conclusions, (1) has any effort been made by the Company to update employment conditions since the statistics were gathered in 2001-2002, and (2) from the Company's knowledge of the local labor market and prevailing economic conditions, does it consider that the report's assessment of labor utilization accurately reflects 2005 employment trends?
- 6. With reference to the Burns & McDonald report, *Trimble County Unit 2 Project Approach, Volume I Execution Plan*, the table at 4-3 does not indicate a value for fringe benefits for any non-union craft employees. Is it LG&E's position that the EPC may avoid paying health care coverage costs for employees as a method of reducing labor costs for the construction of TC2?
- 7. What requirements, if any, were imposed upon EPC contractors to prefer or utilize Kentucky workers in the construction and installation of SCR's at the Ghent and Mill Creek plants?
- 8. Will LG&E include a requirement that the EPC for TC2 will utilize Kentucky employees exclusively unless it can certify that efforts to recruit and retain a sufficient labor force, including skilled crafts, have failed to staff the project according to the manpower needs and timetables specified? If LG&E does oppose the imposition of such a criteria on the EPC, identify issues other than employee availability that form the basis for the Company's position.
- 9. With reference to the Burns & McDonald report, Trimble County Unit 2 Project Approach, Volume 1 Execution Plan, the report concludes "Cost estimate values are based on a merit-shop approach". (4-22) What assumption was made about the percentage of work to be performed "based upon a merit-shop approach" with regard to the cost estimate values for labor?
- 10. With reference to the Burns & McDonald report, Trimble County Unit 2 Project Approach, Volume 1 Execution Plan, the report concludes that the location of the project in the

Ohio Valley is a plus for drawing from a pool of skilled employees to handle "specialty type craft" work. (4-22) From the Company's experience in the SCR work at Mill Creek and Ghent, is LG&E in possession of any data that would indicate an inadequate pool of skilled employees sufficient to meet the manpower needs for construction of TC2? If so, produce the data.

- 11. What percentage of the workforce, employed by the EPC on the Mill Creek SCR project, came from outside the Commonwealth?
- 12. What percentage of the workforce, employed by the EPC on the Ghent Plant SCR projects, came from outside the Commonwealth?
- 13. Is it LG&E's position that it would violate its fiduciary duty to rate payers by requiring the EPC to provide medical insurance fringe benefits to employees who work on the construction phase of the project? Please explain the rationale for the Company's response.
- 14. Is it LG&E's position that it would be violating its fiduciary duties to the rate payers by insisting upon the utilization of a workforce drawn exclusively from Kentucky, unless insufficient employees and skills were available to keep the project on schedule? Please explain the rationale for the Company's response.
- 15. Is it LG&E's position that an EPC should have the authority to utilize out of state employees if doing so allows TC2 to be built more economically than if Kentucky employees are preferred or required? Please explain the rationale for the Company's response.

Respectfully submitted,

PRIDDY, ISENBERG, MILLER & MEADE, PLLC

Don Meade

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429 W. Muhammad Ali Blvd.

Louisville, KY 40202

(502) 587-8600

Counsel for IBEW, Local 2100 and

Greater Louisville Building and Construction

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Don Meade

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing pleading was served via U.S. mail, first-class postage prepaid, this 17 day of March, 2005, upon the following persons:

Elizabeth E. Blackford Office of Rate Intervention 1024 Capital Center Drive, Ste. 200 Frankfort, KY 40601

Michael L. Kurtz 36 E. Seventh Street, Ste. 1510 Cincinnati, OH 45202

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